



**Isle of Man
Government**

Reiltys Ellan Vannin



Social Security

An Introduction to State Pensions for people reaching State Pension Age before 6th April 2019

This leaflet provides basic information about the Isle of Man state pension.

It also provides brief information about –

- the UK state pension;
- the Manx Pension Supplement;
- the Pension top-up; and
- Income Support.

It is for general guidance only. It is not a complete and authoritative statement of the law.

We have made every effort to ensure that the information in this leaflet is correct at the date shown on the cover. However, changes in the law may make the leaflet become gradually less accurate.

More detailed information can be found on our website at - www.gov.im/categories/benefits-and-financial-support/social-security-benefits

If you have a question which is not answered in this leaflet or on our website, please contact Social Security's Pensions Team by phoning 685176 or by email to statepensions@gov.im

Contents

| | Page |
|---|------|
| Introduction | 3 |
| State Pension Age | 3 |
| Isle of Man State Retirement Pension | 4 |
| If you are a widow, widower or a surviving civil partner | 6 |
| You are divorced or your civil partnership has ended | 6 |
| Claiming your state pension | 7 |
| Working whilst getting state pension | 7 |
| UK state pensions | 8 |
| Manx Pension Supplement | 9 |
| Pension Top-up | 13 |
| Income Support | 14 |
| More information | 15 |

Introduction

You can claim an Isle of Man state retirement pension if you reach state pension age **before 6th April 2019**.

If you will reach state pension age **on or after 6th April 2019** you can claim the new “Manx state pension” instead.

State Pension Age

You can start claiming your state pension from the date you reach state pension age.

State pension age for men is currently 65. State pension age for women is gradually increasing and will be 65 by November 2018 – the same as it is for men.

State pension age for men and women will increase to age 66 between December 2018 and October 2020, to age 67 between April 2026 and 2028 and to age 68 between April 2044 and 2046.

To find out when you will reach state pension age -

- see our webpage <https://www.gov.im/categories/benefits-and-financial-support/social-security-benefits/retirement-pension/>
- phone (01624) 685176, or
- email statepensions@gov.im

Isle of Man state retirement pension

You can get an Isle of Man State retirement pension if you reach state pension age before 6th April 2019 and you have paid or been credited with National Insurance (NI) contributions in the Isle of Man.

In some circumstances you may be entitled to a state retirement pension based on your spouse's or civil partner's NI contributions.

Types of state retirement pension

There are 3 different types state retirement pension.

Basic state pension

To get the basic state pension you must have paid or been credited with NI contributions.

To get a full basic state pension you must have at least 30 qualifying years of NI contributions or credits. If you have less than 30 qualifying years you can still get a basic state pension, but it will be paid at less than the full rate.

If you do not have enough qualifying years for a full basic state pension, you may be able to pay some extra contributions. We will contact you if there are extra contributions you may be able to pay.

Additional Pension

You may be entitled to some additional pension if you have worked as an employee since 6 April 1978.

Under the State Earnings-Related Pension Scheme (SERPS), if you were a member of a "contracted-out" employer's pension or personal pension scheme any additional pension you have earned up to 5 April 1997 is reduced by a "contracted out deduction".

From 6 April 1997, you will have earned additional pension only if you have paid standard rate "contracted-in" NI contributions as an employee. You will not earn any additional pension from this date for any periods in which you have paid "contracted-out" NI contributions.

The "State Second Pension Scheme" (or "S2P" for short) replaced SERPS from April 2002. It provides a more generous additional pension for low and moderate earners, certain carers and people with long-term illness or disability.

Graduated Retirement Benefit

If you paid graduated contributions as an employee between April 1961 and April 1975 you may be entitled to some extra pension in the form of graduated retirement benefit.

If you are a widow, widower or a surviving civil partner

If you are a widow, widower or surviving civil partner, you may be able to get a state retirement pension based on your late spouse's or civil partner's NI record. But you may only be able to get half of any additional pension they would have been entitled to, depending on their date of birth.

If you are divorced or your civil partnership has ended

If you are divorced or your civil partnership has ended and you cannot get a full basic state pension based on your own NI record, you may be able to get a basic state pension based on your former spouse's or civil partner's NI record. They do not need to be getting a state retirement pension for this to apply.

Claiming your state retirement pension

We will send you a claim form 4 months before you reach State Pension Age.

If you have not received a claim form 3 months before you reach State Pension Age, get in touch with the Pensions Team by phoning 685176 or by email to statepensions@gov.im.

Once you have completed the claim form, take or send it to us. The address and opening hours of our offices are on page 16.

You must make your claim within 12 months of reaching state pension age. If you don't, you may lose money you would otherwise have been entitled to.

You will need to provide the following documents with your claim form (originals or certified copies) -

- Your birth certificate;
- If you are married, your marriage certificate;
- If you are divorced, your divorce certificate;
- If you are in a civil partnership, your civil partnership certificate;
- If your civil partnership has ended, a copy of the final order.

We will acknowledge receipt of your claim form and return your documents to you.

We will write to tell you how much state retirement pension you will receive before the first payment is due.

Working whilst getting state retirement pension

You do not have to stop work to get a state retirement pension. Any earnings you get do not affect your state retirement pension.

UK state pension

If you have lived or worked in the UK, you may be entitled to a UK state pension.

You can find out more about the UK state pension here:

<https://www.gov.uk/new-state-pension>

You can make a claim for a state pension in the UK by contacting the UK Department for Work and Pensions:

- Telephone: 0191 218 7777
- E-mail: tvp.internationalqueries@dwp.gov.uk
- Write to: International Pension Centre (Claims), The Pension Service 11, MAIL Handling Site A, Wolverhampton WV98 1LW

Manx Pension Supplement

The Manx Pension Supplement (or “Supplement” for short) is an extra amount added to a basic state pension or certain bereavement benefits for people who meet the qualifying conditions.

Who can qualify?

You can qualify for the Supplement if you satisfy all of the following conditions—

- the ordinary residence condition;
- the age condition;
- the qualifying benefit condition; and
- the qualifying contribution condition.

Ordinary residence condition

You must normally live in the Isle of Man. If you don't live in the Isle of Man you won't be entitled to the Supplement. If you are getting the Supplement, but then leave the Isle of Man to live somewhere else, you will no longer be entitled to the Supplement.

You must tell us if you change your address straightaway.

Age condition

You must be aged 45 or over.

Qualifying benefit condition

You must be entitled to -

- Category A basic pension; or
- Category B basic pension.

Qualifying contribution condition

You must have relevant contributions for at least 10 tax years in your working life.

The meaning of “relevant contributions” and “working life” are explained on page 11.

How much Supplement will be payable to me?

This depends on the rate at which your qualifying benefit is paid to you.

You will get the maximum rate of the Supplement with retirement pension if you are entitled to a full Category A basic retirement pension.

You will get the Supplement at a reduced rate with retirement pension if you are entitled to a Category A or B basic retirement pension at less than the full rate.

For example, if you get a Category A basic retirement pension paid at 80% of the full rate, you will get 80% of the maximum rate of the Supplement.

Leaflet BP196 (Benefit Rates) tells you what the maximum rates of the Supplement are. You can find leaflet BP196 at www.gov.im.

How do I claim the Supplement?

You do not need to make a claim for the Supplement unless we ask you to.

We will decide whether or not you are entitled to the Supplement when we determine whether or not you are entitled to a qualifying benefit.

What if my circumstances change?

If your circumstances change (especially if you leave the IOM to live elsewhere) you must tell us straightaway.

Meaning of “relevant contributions”

To have “relevant contributions” for a tax year you must -

- have had enough earnings on which you have paid National Insurance (NI) contributions as an employed earner in the IOM; or
- paid enough self-employed or voluntary NI contributions while you were in the IOM,

which count as a “qualifying year” towards entitlement to Category A or Category B basic Retirement Pension.

In some circumstances NI contributions you pay while you are outside the IOM can also count as relevant contributions.

NI contributions paid at a reduced rate by certain married women or widows do not count as relevant contributions.

NI contributions paid for periods in the UK before the 1996/97 tax year can also count as relevant contributions if your National Insurance record was held in the IOM at the relevant time.

If you are married and your pension is based on your spouse’s NI contributions, both your and your spouse’s NI contributions can count as relevant contributions for the Supplement.

If you are widowed or a surviving civil partner **under state pension age**, your late partner’s NI contributions can count as relevant contributions for the Supplement.

If you are widowed or a surviving civil partner **over state pension age**, both your NI contributions and those of your late partner can count as relevant contributions for the Supplement.

Meaning of “working life”

Your working life is the period beginning with the tax year in which your 16th birthday falls and ending with the tax year before the one in which you reach state pension age.

Changes to Manx Pension Supplement for people reaching state pension age on or after 6 April 2019

Tynwald has approved proposals to change the Manx Pension Supplement for people reaching state pension age on or after 6 April 2019, including reducing the rate of Supplement payable by 5% for each tax year after 2018/19. However, once you reach state pension age your Supplement will not be reduced in this way.

Anyone reaching state pension age before 6th April 2019 will not be affected and will continue to receive their pension under the rules which applied to them when they reached state pension age.

More information about the proposals can be found at www.gov.im

Pension Top-up

A pension top-up may be paid to you if you reached state pension age **on or after 6 April 2016** and you get both an IOM and a UK state pension because you paid or were credited with National Insurance (NI) contributions in both the IOM and the UK.

Qualifying conditions

You can get a top-up if the total amount of your IOM and UK state pensions added together is less than the amount of IOM state pension you would have got if you had reached state pension age before 6 April 2016. In both cases "IOM state pension" includes any Pension Supplement you get.

You must be living in the IOM when you claim a top-up to get it and must be ordinarily resident in the IOM to carry on getting it.

How much will I get?

The amount of top-up is the difference between the total of your IOM and UK state pensions and the consolidated IOM state pension you would have got if you had reached state pension age before 6 April 2016.

How will I be paid?

Pension top-up is paid with your IOM state pension.

How can I claim a top-up?

Complete claim form PTU1 and provide the letter from the UK Department for Work and Pensions (DWP) telling you how much UK state pension you will be getting.

Income Support

Income Support is a social security benefit which can help certain groups of people – including people of state pension age - who do not have enough money to live on.

It can help you pay your housing costs and other daily living expenses.

Income Support is a means-tested benefit. Whether you are entitled or not will depend on how much money you and your partner (if you have one) have coming in and how much savings and other investments you have.

By “partner” we mean -

- your spouse or civil partner who is a member of the same household as you; or
- a person who is not your spouse or civil partner but who lives with you as if you were married to them.

You will normally also have to satisfy a residential qualification condition to get Income Support.

Income Support can be paid in addition to your state pension and any occupational pension or personal pension you have.

You cannot get Income Support if you work for 16 or more hours a week or if your partner works for 24 or more hours a week.

More information

Please visit our website at www.gov.im

You can email us at socialsecurity@gov.im

You can contact our Pensions Team by telephoning 685176 or by email to statepensions@gov.im

Or you can call at one of our offices -

Head office

Markwell House, Market Street, Douglas, IM1 2RZ

Opening hours:

Monday to Friday 9.00 am - 1.00 pm

Ramsey office

Town Hall, Parliament Square, Ramsey, IM8 1RT

(Telephone: 812138)

Tuesday 9.15 am - 1.00 pm
 1.45 pm - 4.30 pm

All calls to and from Social Security are recorded for the benefit of our customers and staff to assist in the provision of service standards and to prevent any potential disputes.

To find out more about how we use your information, contact any of our offices or visit our [Social Security Division privacy notice](#) page on our website.



The Treasury
Social Security Division
Markwell House, Market Street
Douglas, Isle of Man. IM1 2RZ
www.gov.im/socialsecurity